

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

UNITED STATES OF AMERICA

v.

EDWARD CONSTANTINESCU, *et al.*

Defendants.

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Case No. 4:22-cr-612

The Honorable Andrew S. Hanen

United States' Notice as to Count 21 of the Superseding Indictment

The United States, by and through its undersigned counsel, hereby notifies the Court and Defendant Edward Constantinescu that it will not pursue Count 21 of the Superseding Indictment at trial in this case and will move to dismiss it at the pretrial conference. Given the Court's recent rulings and encouragement to streamline the trial, dismissing Count 21 serves the interests of justice for the following reasons.

On February 8, 2023, a grand jury in this District returned the Superseding Indictment. Count 21 of the Superseding Indictment charged Defendant Constantinescu with money laundering in connection with the purchase of real property located at 142 Bentwater Bay Drive, Montgomery, Texas ("Subject Property").¹ As the United States intended to prove at trial, Defendant Constantinescu purchased that property with tainted funds obtained in the course of the charged offenses. SI ¶¶ 122-25. This factual foundation was based on the United States' then-existing intention to introduce at trial the 397 trading episodes that are detailed in the report of Maria Garibotti.

¹ [REDACTED]

As this case has proceeded toward trial, the Court has voiced concerns over the length of the United States' case-in-chief and any resulting defense case from the remaining seven charged Defendants. After the September 7, 2023 status conference, the United States reflected on the Court's urging to curtail its trial proof and significantly trimmed its trial proof from the 397 episodes previously noticed to 54 trial episodes. *See* ECF No. 424 (Sept. 15, 2023) (noticing how the United States trimmed its trial episodes and providing in Exhibit 1 the list of 54 "trial episodes" to Defendants). This curtailment reflects the reality that the actual scope of Defendants' conduct must yield to practical constraints and considerations raised by the Court. *Id.* at 1.

To this end, the United States will no longer pursue Count 21 at the April 1, 2024 trial. Given its efforts to trim its trial episodes from 397 to 54, the United States will not put at issue the source of funding for the purchase of the real property charged in Count 21, which relies in part on the episodes no longer included in the 54 trial episodes. This decision will further streamline the issues for trial and necessarily reduce the length of the United States' case-in-chief.

Dismissing Count 21 will also further the interests of justice. Defendant Constantinescu has claimed, albeit without providing proof, a purported inability to fund fully his defense in this case. Indeed, [REDACTED]

[REDACTED]. *See* SEALED Orders, ECF Nos. 288, 416. The United States takes no position as the merits of Defendant's ability to fund his defense and, on the record provided, cannot evaluate the merits of that claim. Nonetheless and given this Notice, the United States will release its Lis Pendens as to Block 1 and not object to a motion by Defendant Constantinescu to modify his bond conditions so that he may sell Block 1 of

the Subject Property. In this way, Defendant Constantinescu may pursue his defense without any claim of encumbrment from Count 21.

Dated: October 18, 2023

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on October 18, 2023, I will cause the foregoing motion to be electronically filed with the Clerk of the Court using the CM/ECF system, which will provide copies to counsel for all parties.

/s/ Scott Armstrong
Scott Armstrong
U.S. Department of Justice
Criminal Division, Fraud Section